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BY STEVE PARDO / THE DETROIT NEWS

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"It's a serious blow to public safety for Wayne County," said Sheriff Benny Napoleon.

He warned that he may have to release prisoners from the county jail, while Prosecutor Kym Worthy vowed to sue to restore budget cuts and avoid layoffs.

Hours after commissioners overwhelmingly approved the budget, officials were still scrambling to make sense of it and determine how many layoffs among the county's 4,200 workers are necessary. Despite earlier criticisms, commissioners generally followed recommendations from Executive Robert Ficano.

He originally wanted all elected officials to cut spending by 20 percent, but some departments fared better than others. Ultimately, the county's general fund declined around 2 percent to \$533 million from \$542 million.

"Nobody's talking layoffs," said Wendy Lukianoff, an AFSCME Local 25 official, which represents environmental, health and senior services workers. "They keep on saying they're cutting, but they're not saying where the money is coming from."

Napoleon and other officials have said the budgets have been unrealistic for years. He went \$25 million over his \$80 million budget this year, largely because of costs linked to running the county's three jails. Napoleon said he needs about \$105 million to \$109 million. He got \$85 million.

The jail averages 2,100 inmates a day, Napoleon said, and it's funded for around 1,800. As long as the inmate population remains high, the department can be expected to incur millions in expenses above what's budgeted.

"It's going to be another one of those situations where we work overtime to keep folks incarcerated," Napoleon said. "If, in fact, I am told to keep the inmates who are remanded at the same level, there's nothing else I can do. If the judge starts saying release certain inmates, then there are going to be inmates that we probably don't want released. ..."

Worthy said three years ago she was promised a budget of \$34 million by Ficano to run her department for

the 2012-13 fiscal year. She got \$25.4 million.

"We will be suing," Worthy said. "I have to go to court to make sure I'm funded."

Worthy said she can't run her office on that budget and it has been "effectively dismantled at this point."

She said she'd have to lay off nearly half of her attorneys. She also said her department would lose \$6 million to \$7 million in grants because they wouldn't be able to maintain the current structure.

June West, spokeswoman for Ficano, said the money isn't available.

"This has been a really challenging budget for everybody," West said. "We would love for the prosecutor to have \$34 million in her budget, but these are tough times. ... Everybody's making cuts."

Commissioner Kevin McNamara, D-Belleville, proposed funding Worthy's office at the 2011-12 levels of around \$28 million to avoid a lawsuit.

The Wayne County courts and the Sheriff's Department have successfully sued the county in the past for underfunding.

Caven West, the county's deputy clerk, said his department expected a 20 percent cut but it declined 10 percent to \$23 million. Two of eight appointees will be laid off, he said.

"Some folks got butchered. We got a slight haircut," West said. "We understand the county's in financial hospice."

Commissioners said they wanted to provide departments with more, but tax revenues have dropped to about \$264 million from \$370 million five years ago.

Commissioner Burton Leland, D-Detroit, said there are usually winners and losers with budgets, but "this time, there's nothing but losers."

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OUR EDITORIALS

Court Costs

Courts should recognize Wayne County's financial plight in funding demands

Residents of Wayne County, beset by declining property values and high rates of unemployment, may be surprised to learn that their county budget is being set by a judge in St. Clair County. The St. Clair judge has ruled in an appropriations dispute between the rest of Wayne County government and its circuit court. He has involved himself in a level of budget details and ordered spending far beyond what is appropriate to the case.

At issue is a running argument between the Wayne County Circuit Court and the county executive and commissioners over the level of appropriations needed to operate the court. The Michigan Supreme Court has ruled on several occasions that the courts have the "inherent power" to compel appropriations from the county boards for money sufficient to meet their needs.

However, the state's high court has also said that the rule should be interpreted so the funds provided are "serviceable" and "reasonable and necessary," but not "optimal."

In other words, the justices have said over the years that local courts cannot order county boards — or the taxpayers — to provide the hearts desire of judges.

Nevertheless, St. Clair Circuit Judge Peter Deegan, who had been asked to hear the dispute between the Wayne County branches of government, has ordered Wayne County hire or make available to the court an additional 46 deputies from the Sheriff's Department, 13 staffers for the Friend of Court Office and 51 staffers for the circuit court itself, for a total of 110 new staffers.

He has ordered the court be granted its own computer department, including ex-

tending a computer system that some judges have said has not worked well, and ordered the county to rebuild or refurbish two courthouses and the Friend of the Court offices. And, he has ordered the county to hire an expert to monitor the upgrades to the court facilities.

Deegan, in his ruling last week, seemed particularly incensed that the county spent \$14 million to purchase the Guardian Building and another \$24 million to refurbish it for the commission and the county executive's offices.

The timing of the expenditures on the Guardian Building may not have been wise, but that should not be decisive in Deegan's ruling, which County Executive Robert Ficano has stated would cost around \$500 million.

Ficano may well be exaggerating for political effect, but level of additional staffing and capital investment in court building seems extreme for a county government with a deficit of around \$260 million.

The county is appealing Deegan's ruling. The circuit court may be entitled to come additional appropriations, but cooler heads ought to prevail at the Court of Appeals. As the Supreme Court has stated, the test ought to be what is serviceable, not what is ideal. The appellate court ought to show some fairness to the county's taxpayers.

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OUR EDITORIALS

Budget battle is hurting Wayne County

County should get permanent relief from circuit court spending from appellate courts

Wayne County is suffering financially, in part because of the mismanagement of funds by the Wayne County Circuit Court. This is not a new problem, but the consequences are growing.

We've noted the problem with the court's spending previously, but recently, Standard & Poor's lowered its rating on the county's previously issued bonds from an "A+" to a "BBB+," meaning the agency is less confident the county can repay its debt. This could also make it harder for the county to borrow in the future. In a new analysis, the rating service lays out one of the chief reasons for the lowered rating: "While Wayne County has done, in our view, a commendable job managing the operations under its control, the impact on the county's financial position by the circuit court system is both notable and volatile."

The meaning is clear.

While several factors contribute to the lowered bond rating, the problems with the circuit court are glaring. The county has a requirement to fund circuit court operations - but possesses a limited ability to rein in costs because the courts operate independently. And when the county does try to control spending, the court sues. "You can't budget by litigation," says County Executive Robert Ficano.

Other departments, including his own, have taken pay and benefit cuts, but Ficano says nothing "shames" the court. The circuit court refuses to make concessions. It also has rejected other commonsense cost-saving measures, such as integrating human resources and information technology services with the county.

When the court overspends, the county is left to cover the extra costs. The county has tried to impose restraints on the court and has ended up in a court

battle over the matter. The state high court has ruled previously that courts have the authority to ensure county boards are meeting the needs of the local courts.

But the needs must be "serviceable" and "reasonable and necessary," not simply a wish list.

After a lower court instructed Wayne County to remove any spending controls, a state appellate court granted the county a stay in March to continue with the measures.

While this was a temporary win for the county, it is not a permanent fix. Standard and Poor's recommends the county find a long-term solution that would allow it to control court expenditures. As of now, the court is "making the county's financial position less stable," the rating agency states.

Last fiscal year, the county allocated about \$70 million of its \$580 million general fund to the circuit court; now the court is requesting an additional \$21 million, Ficano says. This is money the county doesn't have to give out, in light of its declining revenues.

Virgil Smith, chief judge of the Wayne Circuit Court, has argued the court deserves every penny it's given - and that it should be granted more. In The Detroit News, Smith wrote that the court is "one of the 15 busiest

trial courts in the nation," processing more than 100,000 cases each year. Regardless of problems within the

court, the impasse between the county and circuit court should end. As Ficano notes, the system needs to change. At the very least, appellate courts should overturn the ruling imposing more circuit court costs on Wayne County.